Marc Isaacson, CEO Village Green Apothecary



Marc Isaacson: Hey, welcome everyone to Humanized, your health personalized. And so today we're actually turning the tables a little bit. So I'm the guy, you might know me, I've been on before. I'm Marc Isaacson, I run Village Green Apothecary. It's our team that developed Humanized, whatever it is, it's like about a year ago or so. And now, so we've got some extraordinary people on our team, and we have David Stouder with us, who's got incredible decades of experience in the nutrition business and understanding supplements, and being able to understand and answer all these questions on where do you get supplements? What do you do about quality control? How do you make sure you're getting the right kinds of things? So what I think I'd like to do is just turn things over to David real quick and have David give you a little bit of overview, little bit of background, his background, and then he and I will just do a little dialogue and Q and A back and forth.

David Stouder: Well, thanks, Marc. And sometimes you see me as a fill-in host on the Humanized Health podcast, which I'm happy to do. I've been in the industry for just about 50 years and I have worked mostly retail, but also I've worked for vitamin companies and as a sales rep, and I did a radio show out in San Francisco for 20 plus years where I got to interview people that were very credentialed, some of the same people that we have on our Humanized podcast. And it's given me a pretty wide view of the industry. I'm obviously a fan and an advocate, and I think I have a pretty good nose for BS when it comes to some of these things.

So maybe we'll start, and Marc and I are going to talk a little bit about, you have a lot of places to buy your supplements. And maybe there's not just one place that's good, and they're all bad. But I'm going to lead this off, Marc, when we talk about the mass market, you know, like your drug stores. Now, I remember one time reading an article that said 80% of vitamin tablets don't break down. And my first impulse was, well, that's ridiculous. I know better than that. And then I went, well, wait a minute, 80% of vitamins are probably sold in mass market. And so they're probably not talking about the kind of supplements you find in Village Green or good health food stores. I find the mass market being pulled along slowly by our industry to get up to certain quality standards. You can tell me what you think, but I see low potencies, incomplete formulas and poor quality raw materials, mostly, not every product.

Marc Isaacson: Yeah. So I think obviously, and this is obviously not universal everywhere, but certainly in mass markets, the idea is volume profitability. And because you've got bigger businesses that have a huge focus on margins and revenue, you're definitely more likely, from everything that I've ever seen and know, is that you're correct. I agree. You're likely to get lower potencies. You're potentially likely to get the wrong form of something, the least expensive form, you get more fillers, binders you potentially can get coatings and stuff that impact bioavailability. So any one of these factors, obviously could really significantly reduce deliverability and create problems for somebody.

David Stouder: And the other thing about your typical drug store, maybe not every one, but, I knew a sales rep that had come into our store and she had worked for 20 years as a mass market vitamin sales rep, and then she worked for, happened to be Carlson, one of the

companies that we carry, with a really good reputation. And she said, what floored her was, when she went into a health food store to introduce a product, she got all these questions. Where does your lutein come from? What's the percentage of this? Where do you manufacture it? That for 20 years when she went into drug stores, nobody said any of that, they were like, oh, well how much is it? What's the profit? Do you do national advertising? And that doesn't make them evil or anything. That's a business model. But the health food stores, by and large, are concerned with these things about quality and if it's going to work. There's a lot of stuff I see in the drug stores now that I would buy – some of the brands that we represent show up in drug stores – so they're getting better. But by and large, I think you have a mentality that says, somebody wants a multivitamin, if I could make the cheapest, they'll buy mine. And that's not the philosophy you see for these companies. They want to make something complete, like you say, the right forms. And so generally, you really have to know your stuff to get something really good, basically, in the mass market.

Marc Isaacson: And David, as you're talking, it makes me really think a lot about there's two sides to the equation, and why we do what we do. And you know, what we've been doing for Village Green for all these years is that on one side of the equation, you've got, okay, you know, is it the right product? Is it the right quality product? Does it meet our standards? Because as you know, but to make sure everyone understands, we've got this whole team with decades and decades of experience, you know, 15-20 people degreed as pharmacists or clinical nutritionists and NDs [naturopaths], and a whole host of people that have just tremendous industry experience and know all the questions to ask, to identify the brands, and look at the raw materials, and make sure you get the right form and the right dosing, and minimizing fillers, binders, coatings, and optimizing delivery systems and so forth, and have synergistic nutrients. So that's one side of the equation.

But I would also say... this is about quality and figuring out the right location to go to. But the flip side of that is, ultimately, you might be able to find several places where you can find these products and that's what happens today, but really the big question, the ultimate big question also becomes, hey, who do you trust and who's got the knowledge base? Because the reason we're doing Humanized, and we're saying it's "personalized health," is because everybody is incredibly different. Whether you're looking at genes or labs or epigenetic lifestyle data, or impact of toxins, you need to find that person. And we believe it's having a pharmacist or a clinical nutritionist or naturopathic doctor, and other people that have depth of experience in the industry to make sure that... You're taking this whole group of different products – we carry 10,000 of them. And in our case, it's also being able to figure out, when you look at quality and getting results, to make sure you are getting the right quality product for you with the right form and the right dosing, that's giving you the specific nutrient amount that you need for your unique situation.

David Stouder: Right. And let's talk about the internet for a second, Marc, because I came through the industry when there was no internet, and then the internet was this little sort of thing off in the corner, and now it's definitely a big part... Obviously we have a thriving internet

site. You can go to MyVillageGreen.com and we have a lot of resources there. Humanized is there, and certainly you can order product. And in case anybody didn't know this, when you order products on the MyVillageGreen website, we've got all of us going around, picking the products off our shelves. There's not some warehouse somewhere...

Marc Isaacson: It's our team, right. And we know where those products are coming from, of course. Right.

David Stouder: Exactly. Now, as the internet's become bigger, I understand the model where, say Marc and I want to start a vitamin company and we realize we can just sort of go on the internet and sell it directly. But I'll tell you something. There's not a lot of control on the internet and what I've often said is, most of the things on the internet are probably fine. But all the dishonest people or incompetent people, let's say well-meaning, incompetent people — that's the only place they can go. I've had people come into my store, want to sell me products, and when I ask them questions, they don't have answers.

I had one per person call me up and say, we got this new product – company I never heard of, right? And we'll send you two cases for free. And I go, wow, that's very generous. I said, can you send me some info and a copy of the label? And, oh no, we can't afford to do that, we're sending this product for free. I go, how do I know if I want it? And the guy was really incensed. I go, well, I don't care if it's free, I'm not going to carry it unless I want it. And he hung up on me. But I mean, most people were like, yeah, two cases free, I'll take it.

But we have high standards and you don't always find them on the internet. So what I would say is, I'm a fan. I don't buy things I'm going to eat on the internet. That's just my standard. Doesn't have to be anybody else's.

And the other thing is, I like coming into an actual place, touching and feeling the product, looking at it, and like you referred to, Marc, I want expertise. I want someone that doesn't just influence me over the internet, but I could talk to and ask questions of and get a broader perspective.

So I still... the internet's not bad, and we have an internet site, but I still think – I'm so impressed with what you've created at Village Green and honored to be part of it – is that you have everything going. You have the widest selection of supplements, great prices, lots of good sales, and a team that can work with people, who have knowledge. And my wife once said she didn't want to buy wine from anybody without wrinkles. And, here I am [both laugh]. So I'm really impressed, and I would just be a little careful if you're out there on the internet, because you are in the jungle.

I've been in the industry 50 years, never sold anybody a contaminated product. But I know people that have bought it off the internet. So there's reason to pay for a gatekeeper.

Marc Isaacson: Obviously there's a higher level of due diligence [needed] when you're buying from a company that's web based or hasn't been around a long period of time. And it is true. I mean, look, we at Village Green, because obviously it's so important to us, I mean, we deal with brands that have been around a long time. We deal with the clinicians, and talk to the clinicians and the educators and sometimes the manufacturing people very often that are behind these brands. And we're getting all of the detailed quality control they're going through. We very specifically deal with these... people always ask, oh – we talked about this a little bit before we started – but are these products FDA approved? And there are now, people don't even realize this, there are GMPs, GMP stands for Good Manufacturing Practices. So we review the supplement companies and make sure that they're following these GMPs, which include reviewing and having every single raw material checked to make sure it is what it is supposed to be. And then post-production, sampling, they all always call them the lot numbers, the products that roll off, that have just been manufactured, a particular batch, you call a lot number a batch number. But I mean, the right manufacturer that we work with, they are testing those batches and they are confirming what's on the label is actually in the bottle.

So you've got all these things that, I mean, a lot of consumers would never understand, but there's a ton of standards that we are absolutely required to meet in the supplement business. And the difference is if you're not paying attention, it is very possible that you can have a manufacturer be selling products where they're not meeting some of these standards. And even though they're supposed to be following them, there are people that obviously, unfortunately there's that segment, you know, the bad guys, where they're just not following these standards. So we are really driven by making sure that our team is doing that.

And Dave, I'll give you one other example, which we think is also very important. We also, our collective team, looks at the clinical research and looks at the clinical studies and reviews brands, and some of these brands might have patented ingredients that *are* the ingredients. This is what we talked about a little bit earlier. There's a variety of different forms and ingredients and dosing for what might be like a B vitamin or turmeric, or whatever it might be.

So it's understanding the right things. And for example, in our Pathway proprietary product line, we have north of like, I think it's 40-plus patented ingredients where we're taking the best ingredients that are delivering all of that science and research that we know is going to provide the best outcome and result for the customer/client/patient. So clearly we think these are the important things to do, where we can deliver great products and also provide great value along the way, if we do things the right way,

**David Stouder:** And that's so important, and I do want to say one thing to everybody listening. I still get a lot of people that walk in the store and they go, are these products regulated? I heard they're unregulated. Now, first of all, if you think our government would let a 30-billion-plus industry be unregulated, you should think it a little harder about that.

Now, one time, years ago, I saw Senator Dick Durbin and he was talking about when people walk down the pharmacy aisle of a store, they have that assurance that everything's regulated and FDA approved. And when they walk down the supplement aisle, they may think they have that insurance, but they don't. But let me take Dick Durban's analogy there and go a little further. When they say it's not regulated, it's a little bit of double speak. They mean that supplements are not regulated as drugs. And that's because they're not. Legally, they're food supplements. And drugs are inherently a little more dangerous, or a lot more dangerous, than food supplements. So, if you compare the numbers, let's go to the produce aisle in that store. So many people are sickened by our produce, have reactions, things get contaminated. So I would argue that our dietary supplements are highly-regulated food, not under-regulated drugs. And trust me, there are plenty of regulations. If you walk into one of these vitamin companies, like Marc said, that follows the GMPs, Good Manufacturing Practices, and say, hey, you guys aren't regulated, they'll laugh at you.

So that's why, as a consumer, I've always liked Village Green for all those reasons. They have the widest selection of products. They have knowledgeable people to help me, they have good prices, and like I said, I have a gatekeeper, I have somebody – now I'm part of the team, which I'm proud to be – but that's the kind of thing that's always seemed like the ideal health food store to me. Some of our stores have gotten a little away from that, you know. They're heading... it's like Whole Foods is becoming Safeway and Safeway is becoming Whole Foods. In a way that's good because our thing is becoming mainstream. But there's a core of this industry – and you're doing the right thing, Marc, and I have a lot of respect for what you've created and again, happy to be part of it – but that's why I think Village Green is so special and I'm happy to, in a sense, promote it. I think we're one of the best places to get supplements. And just consider all those things when you're shopping.

Marc Isaacson: Look, I mean that's why we do what we do. That's why we have people like you. I mean, our distinction is our team does the research. We've got pharmacists, we've got clinical nutritionists, we've got naturopathic docs. We've got many, many people who have 20, 30, 40, even, years plus of experience. And the difference is making sure, as I said earlier, I think, just in wrapping this up, the big difference is both making sure that you have the right products, then the right dosing, right forms, right patented ingredients, having the products and the ingredients that are used in the clinical studies. So that's one bucket. So we obviously think that we're doing that.

And the other bucket is, obviously, having the staff to make sure that for your personal needs, you are getting the right recommendation. Just because I have an issue and I'm using one supplement, doesn't mean that supplement's going to be all about you or for you. And that's obviously what Humanized is all about, and the ability now to focus on personalization, and do that through working with the right person, with us learning all your health history. If you want to go deeper, we can look at labs and genetics and so forth. So, hey, it's a great process and we're making a lot of headway with it.

So I would just wrap up and, and say, Dave, I appreciate your help. Appreciate all your insights. And just so everyone remembers, you can go to HumanizeHealth.com to get any of these shows. You can always go to MyVillageGreen.com to learn about our business and also access these shows. And, great having you, David. Appreciate it.

David Stouder: Well, I enjoy it. And you know, just remember one thing. I heard a, and I don't say this in a negative way, a bureaucrat in our government, in the medical industry, say that 75 to 80% of the money we spend on "healthcare" is on preventable diseases — which is another way of saying, 80% of your health challenges are best met with diet, lifestyle and nutrition. There are places for medication, surgery, certainly modern medicine is absolutely incredible in a crisis. I think in a lot of ways they may fall short for chronic things, and you want to at least bring mother nature into the picture. And that's, you know, I think we've got the right attitude and the right things for you at Village Green. And I commend you, Marc, and this was a lot of fun. So hopefully everybody enjoyed this.